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Minutes

Date: August 14, 2017
To: NCPA Legislative & Regulatory Affairs Committee
From: Carrie Pollo, Legislative and Regulatory Program Assistant
Subject: April 19, 2017 Legislative & Regulatory Affairs Committee Meeting Minutes

Item #1 – Opening Remarks & Introductions

Chair Gary Plass, Council Member, City of Healdsburg, called the meeting to order at 12:03 pm, followed by introductions of all in attendance. Those in attendance are shown on the attached attendance list. Participating via teleconference were Barry Leska and Ann McCormick from Alameda Municipal Power; Elizabeth Kirkley, Lodi Electric; Monica Padilla and Debbie Lloyd, City of Palo Alto; Michelle Bertolino, City of Roseville; and Susie Berlin from The Law Offices of Susie Berlin.

PUBLIC FORUM

No members of the public were present.

Item #2 – Approval of Minutes

Motion: A motion was made by Roger Frith, City of Biggs, and seconded by Madeline Deaton, City of Alameda, to approve the minutes from the February 22, 2017 regular meeting. All were in favor. The motion passed unanimously.

Item #3 – State Legislative Report

Mario De Bernardo, State Government Relations Manager, reviewed state legislative issues including: SB 100 (de León); other renewable energy bills; cap and trade; other clean energy proposals, small cell, data collection, and two bills sponsored by The Utility Reform Network (TURN).

He provided background and analysis on SB 100, which would establish a 60% RPS by 2030 and a 100% clean energy standard by 2045. Mario explained the work that NCPA is engaged in to develop amendments that address the potential challenges created by the bill. NCPA's initial reactions to the bill include concerns related to increased ratepayer costs, stranded investments,

reliability, and over generation.

Mr. De Bernardo discussed two other renewable energy related bills. AB 920 (Aguiar-Curry) would create an RPS procurement requirement for baseload energy. AB 1070 (Gonzalez Fletcher) would establish consumer protections related to rooftop solar panels.

Regarding cap and trade, he provided analysis on the various bills in play: the Governor's budget trailer bill, AB 378 (C. Garcia), and AB 151 (Burke). Mario discussed how NCPA's legislative strategy is generally focused on protecting investments in natural gas plants and preserving the direct allocations of electric utility allowances.

He also discussed other bills focused on clean energy issues. There are two bills that would establish utility subsidies for energy storage: AB 1030 (Ting) and SB 700 (Wiener). AB 1088 (Eggman) would establish various state clean energy goals for multifamily residential units. Both AB 1405 (Mullin) and SB 338 (Skinner) would require utilities to take action to serve net peak load with more clean energy resources.

Lastly, Mr. De Bernardo provided background and legislative strategy on bills regarding small cell permit streamlining (AB 649, Hueso); increased data collection (AB 1293, Irwin; AB 1431, Arambula; and SB 356, Skinner); and two TURN sponsored bills: AB 79 (Levine) and SB 520 (Mitchell). AB 78 would require more accurate greenhouse gas emission accounting of unspecified resources on a utility's power content label. AB 520 would require POUs to pay intervener funding for transmission related proceedings at the ISO, CEC, and FERC.

Item #4 – Regulatory Affairs Update

Scott Tomashefsky, Regulatory Affairs Manager, gave updates to the committee including: 1) Developments being undertaken by the State to establish utility-specific greenhouse gas (GHG) goals; 2) An update on the California Air Resources Board's Scoping Plan, and; 3) A status report surrounding CARB's proposed cap and trade regulation amendments. It was noted that the Scoping Plan continues to be the State's overarching document that outlines policy direction for carbon emissions. It is scheduled to be adopted in June 2017.

Mr. Tomashefsky explained that NCPA's key policy objective on climate is to continue the cap and trade program beyond 2020 and secure the direct allocation of allowances to NCPA members and electric utilities, and that the agency will continue to work closely with the Joint Utility Group, its public power partners, as well as the CEC and CARB to shape policies and refine tools.

Item #5 – Member Services

Jonathan Changus, Member Services Manager & Regulatory Affairs, updated the committee regarding energy efficiency. In the 2016 Annual Energy Efficiency Report, POUs spent \$154 million, resulting in 825 GWh of energy savings. He provided the committee with important upcoming regulatory reporting dates, including:

June 1

- Power Source Disclosure/Power Content Label
- Annual SF₆ Emissions Report
- GHG Emissions Data (AB 32)

June 19

- CEC Workshop on Proposal for 2030 Doubling of EE
- Annual Targets, including POU portion

June 30

- Use of GHG Allowances Report (AB 32)
- RPS Triennial Compliance Report (SBx1 2)

July 1

- Solar Program Status Report (SB 1)

October 1

- 2020 Energy Storage Procurement Target Update

Item #6 – Western Area Power Administration

Maury Kruth updated the committee on several Western issues including: 1) the CVPIA Restoration Fund Credits; 2) Western's 2025 CVP Power Marketing Plan; 3) Reclamation's CVP Cost Allocation Study; and, 4) Governor Brown's California WaterFix project.

Item #7 – NCPA/NWPPA Federal Policy Conference Issues Briefing

Marty Kanner, President of Kanner and Associates, gave an update on the political climate in Washington, DC, stating that tax reform, regulatory reform, and the budget are key policy issues. He also provided an extensive issue briefing for committee members in preparation for the upcoming NCPA/NWPPA Federal Policy Conference. Key issues reviewed included tax-exempt financing, hydropower licensing reform, workforce development, wildfire funding reform, and the long-term viability of CVP power. He explained that legislative meetings are scheduled in both the House and Senate with key committee staff as well as with Senators and Representatives, and that regulatory meetings are also scheduled with FERC and NERC.

Brent ten Pas, Federal Government Relations Representative, discussed the logistics of the upcoming Federal Policy Conference in Washington, DC, going over the featured speakers for the program, the Commissioner advocacy training, and the policy conference app. As well, he also passed out the most current meeting schedule.

ADJOURNMENT

The Legislative and Regulatory Affairs Committee meeting moved to adjournment by Vice Chair, Teresa O'Neill, City of Santa Clara, at 4:14 pm. All were in favor.